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BUDGET SPEECH

OF

THE HON. C. R. MITCHELL

TREASURER OF THE PROVINCE OF ALBERTA

Delivered on the 21st March, 1918

IN THE

LEGISLATIVE ASSEMBLY OF ALBERTA

On Moving the House into Committee of Supply

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BUDGET SPEECH

DELIVERED BY

HON. C. R. MITCHELL

Treasurer of the Province of Alberta

TUESDAY, MARCH 21st, 1918

Mr. Speaker,—In moving that the House go into Committee of Supply for consideration of the Estimates I am reminded of the fact that this is the Fifth Annual Budget which it has been my privilege to deliver during my term of office as Provincial Treasurer. Unfortunately throughout the whole of that period a state of war has existed and under such circumstances, the path of a Provincial Treasurer is beset with problems difficult of solution. I mention this in order that the House may realize the difficulties which have surrounded those who are responsible for the finances of the Province during the years through which we have just passed.

The Budget Speech of this year will necessarily be more or less along the lines of the Budget Speeches of the previous war years, because, as is but natural, during war time little in the way of development can be accomplished. With respect to some of our activities we are for the most part marking time; with respect to other matters of public concern we are endeavoring as far as the resources at our command will permit, to proceed along lines calculated to meet the fresh problems that emerge from time to time as the war progresses, not the least of which is the problem presented by the return, during the past year or so, of men who, in the service of their country, have been disabled by wounds or rendered unfit by disease. The number of such problems will by no means decrease as the years go by. In fact, during the present year their existence has become very noticeable and more particularly during the last month or two. This Government has done something in the way of taking care of the men who are returning, but what we have done already is nothing as compared with what will be necessary for this and for other Provincial Governments to undertake. We are only at the threshold of this work. It may be that some will offer the criticism that we are not moving with sufficient speed but let me say that we are only at the beginning of things and I think it is desirable that we should be cautious, that in planning for the future we should not too hastily adopt any scheme until we are fully persuaded that it has in it the fundamentals to meet conditions which will necessarily be of more or less permanent character. For that reason I say it behooves this Government to study well the conditions that are likely to arise in the future so that whatever policy may be decided upon, that policy will be the best in the long run and not become a makeshift or temporary one.

Before dealing with the estimates, and the Public Accounts, which will form the main part of my remarks, I would like first to give a short review of the conditions and general activities in the Province

during the past year. I will, however, deal with them in greater detail this year than has been my custom on former occasions. I will do so because this is the first session of a new Legislature and we have with us a considerable number of new members, members who, perhaps for the first time, are giving matters of this kind intimate and careful study. For that reason I think it desirable that, as Treasurer of the Province, I should lay before this House and this country as much detail in connection with the Public business as is possible and appropriate.

REVIEW OF CONDITIONS AND GENERAL ACTIVITIES.

Several outstanding facts have been accentuated by the prolongation of the war. It has brought people to the full realization of the fundamentals upon which every country must build; it has shown that the country that produces workers is indeed hard to conquer. You cannot maintain an army on gold alone. There is something more necessary. Food and clothing, which are the result of labor and production, are equally as essential as money. Time and again, the production statistics of the Dominion of Canada and other reliable agricultural authorities have placed the yield rate of Alberta above that of other Provinces of Canada and, indeed, also of the States of the Union. Accordingly the Province of Alberta is potentially the greatest grain country of the continent. It is true we do not produce the greatest amount of farm products, but relatively and in proportion to our population and to the area under cultivation we produce more than any other Province in Canada or any State in the Union. Now this development of the grain growing industry of this country, Mr. Speaker, has not occurred at the sacrifice of the mixed farming side of agriculture; on the contrary, we find that cattle and sheep raising have gone on by leaps and bounds side by side with the increase in our grain production.

WOOL GROWING.

Let me refer you to one industry alone which is of considerable importance in the Province of Alberta and which but a few years ago was only in its infancy and scarcely worth taking into consideration in connection with production statistics. The Province of Alberta is becoming a leader in wool production*. The statistics are as follows: The total value of wool produced in 1914 amounted to \$236,321.12, scarcely a quarter of a million dollars in value. It increases year by year until in 1917 it reaches a point in value of \$1,189,380.81, showing quite clearly the marvellous growth of this one industry. Of course prices have had something to do with this. The price realized in 1914 was 16 cents, in 1915 25¼ cents, in 1916 30½ cents and 1917 57 cents. The number of pounds handled in 1914 was in round numbers 1,500,000; in 1915 it grew a little, being 1,570,000 pounds; in 1916 it was slightly over 2,000,000 and in 1917 it was 2,086,600 pounds. It is more than evident that in that branch of the farming industry Alberta is rapidly forging ahead. One of the chief causes which brought about this desirable result was the fact that the wool growers of this Province have acted vigorously on behalf of better marketing facilities. There is now a Dominion-wide organization whose chief business it is to see that the best facilities are available, that the best methods are brought into use to ensure

* See Statement No. 1.

the proper and cheapest and most economical method of marketing wool. The purebred flocks of this Province have increased faster than in any other Province. This has been due partly to careful management on the part of those who are engaged in this industry, to our schools of agriculture, our short course schools. Our Animal Husbandry Department of the University of Alberta is doing its share towards giving the fullest encouragement to this branch of industry and with good results. The climatic conditions of the Province are suitable for the development of the sheep business and the co-operative marketing conditions recently inaugurated have done much to eliminate the middle man and to give to the producer the greatest amount possible for his product.

ALBERTA'S COAL INDUSTRY.

The next important industry* that I shall refer to is the coal industry of Alberta. Here we come to one of the industries which will some day make Alberta known and famous all over the Dominion. During the past winter we have had very clearly brought to our minds the difficulties which confronted the people and the manufacturing centres of Eastern Canada on account of the undue scarcity of coal. The difficulties of transportation from the United States and Eastern Canada have resulted in almost a coal famine in Eastern Canada while we in Alberta blessed with tremendous coal deposits, and in some sections of the Province with natural gas in unlimited quantities, lived in comparative ease and comfort. There is no doubt, Mr. Speaker, that with better transportation facilities and with the systematic management of our mines, that the Province of Alberta will in the immediate future supply not only Saskatchewan, but Manitoba—in fact, to a large extent it is doing so now. Further, I hope and believe that our coal dealers will trade as far east as the Province of Ontario. The nationalization of some of our great railway systems and the co-operation of the Railway Board should do much to ensure the operation of railways and mines to the best advantage by the provision of an adequate supply of rolling stock and in other ways contribute to the improvement of the conditions under which this business is carried on. What was our coal production in the year 1917? You are all no doubt familiar with it but it is desirable that this information should be repeated and spread broadcast as far as possible and I will therefore refer briefly to the output of this product. In the year 1917 there was produced of lignite coal over 2,500,000 tons, of bituminous coal over 2,000,000 tons, of anthracite 118,000 tons, of briquettes 93,000 tons, of coke 31,600 tons, making a total of 4,988,862 tons with a total money value of \$16,254,826.50. I would point out the fact that a large proportion of this coal production goes to the neighboring Province of Saskatchewan and that a very large amount is also used by the various railroads that are operating in this western country.

GENERAL PRODUCTION STATISTICS.

Now with respect to our general production statistics†—our agricultural statistics as a whole. This is a statement which I produce with each Budget, annually, and the statement this year compares very favorably with the statements of years gone by. The

* See Statement No. 2.

† See Statement No. 3.

statement is of course not absolutely accurate in detail but it comprises the best information which the Department of Agriculture of this Province is able to secure from the various sources available for that purpose. The tabulated statement which I hold in my hand shows a total production value of all kinds of farm products to the amount of \$333,309,183—a tremendous production for a Province with a sparse population of half a million. This, compared with the production of 1916, shows an increase in value of \$125,470,885.91 or an increase in production of 60 per cent. Assuming our population to be half a million the production for this Province per head for last year amounts to over \$600; for the previous year the production amounted to an average per head of \$400. With wealth like that pouring into this Province I think we can fairly well assume that our people are now and are likely to be in the future in a position to take care of any additional burdens that may be imposed upon them as a result of this war, whether such burdens take the shape of necessary Provincial financial measures or the furnishing of capital required to sustain the ordinary activities of this Province, or imposts placed upon us by the Dominion Parliament in connection with the prosecution of the war. For be it remembered, that in the conduct of the war the Dominion of Canada is taking a very important part. Tonight we read in the newspapers of a great western thrust that is now about to take place. This brings it home to us perhaps more clearly than ever before what is going on over there and the seriousness of it all. We have been expecting this drive for some weeks past; unusual preparations have been made, and if Canada is to continue to take her proud share in the operations that are going on, an additional price must be paid by the people of Canada. Our Province as one Province in Canada, and as a Province that is making a record in production and increased values such as I have indicated, must share in the payment of that price and as a people keep up the standard in the future that we have so gloriously set in the past.

HONEST TOIL AND REAL PRODUCTION.

One of the direct results of the enhanced prices and the increased production has been the prosperity that has come to our business life not only in the rural communities but to a large extent in certain lines in the urban centres as well. Every country merchant is in a better financial condition today than he was when the war broke out. Farmers who three years ago were dependent on the Government in a large measure for their seed grain and even feed for themselves and their live stock, are now abundantly supplied with the necessities of life in that respect. The crops during the last two or three years have brought this about and this heartening effect will as a natural consequence greatly stimulate trade. It will be reflected and is reflected in our bank clearings. It will cause an increased demand for farm machinery, building material, motor cars and up-to-date equipment. Not only has more farm machinery been brought into this country in 1917 than in 1916 but one of the largest farm machinery dealers in this country has announced that 92 per cent. of the business transacted in the Province last year was done on a cash basis. Nothing could indicate more clearly the changed condition that has come about in this Province as the result of the untiring efforts of the people along the lines of greater production, stimulated of course by the value of the product they are raising. The seed grain liens

we have heard so much about are being rapidly discharged and I think they could be altogether discharged if the people who obtained the benefit were so disposed; I believe every dollar could be paid off now if the people took the trouble to do so. When we take these facts into consideration it is a matter for congratulation that these healthy conditions are the result of real production and honest toil. They do not originate in any such thing as a trade boom or a real estate boom, and we feel the better satisfied when we realize that they are of a permanent and not of a temporary nature.

THE BURDENS OF WAR.

ENLISTMENTS.

Now with regard to the burdens of the war, let me first refer to the enlistments of this Province. We find that although Alberta has contributed in a large measure to the necessities of the army in connection with food supplies, we have also given our quota of men to the trenches and put our dollars into war loans. Up to the end of last year the enlistments in Alberta amounted to 36,486 men. These are the latest statistics available on that point. I do not know what progress has been made since the beginning of the year under the Military Service Act. However, we have sent our food and our produce and we have sent men in a very large proportion as compared with other Provinces, and we have also done well in a monetary way.

VICTORY LOAN.

*The Victory Loan which last Fall was so successfully carried out produced in Alberta \$16,515,150, equalling a contribution of \$33.26 per head of population. In one city of this Province—I might as well mention the name—the City of Calgary, one person in every 3.89 subscribed. This I understand is a record for cities in the Dominion of Canada. In addition to these subscriptions there have been other contributions. There are the contributions to the Canadian Patriotic Fund. Let me give you a statement of the manner in which the people of this Province have contributed for patriotic and other relief purposes, and I think, considering our population and the class of people—for we are not a rich people individually, but are poor individually, we are a laboring and producing population and therefore there are very few among us who are capable of making large individual contributions—we have good reason for self-congratulation. I see a smile on the faces of some. Well, there are people, perhaps, in this Province who could give, if they would, large donations. Some of them may have, and others I know have not. However, with respect to the public contributions they may be tabulated under the following heads: Belgian Relief, Jewish Relief, Sailors' Relief, Serbian Relief, British Red Cross, Canadian Red Cross, Canadian Patriotic Fund, Tobacco Fund and Halifax Relief Fund. In the year 1914 the total subscriptions of the public—and this is apart from Government subscriptions—amounted to \$396,249.26. That was for 1914 and 1915. In 1916 it increased to more than \$800,000.00. In 1917 it rose to the enormous sum of \$1,249,555.00, or a total of over \$2,500,000. In addition to that the Province itself has contributed some \$380,701.16. The time, however, Mr. Speaker, has arrived when these burdens, particularly the Patriotic Fund,

* See Statements Nos. 4 and 5.

have reached a point where there must be a more equitable distribution. The Government has, therefore, thought fit to secure such distribution by means of taxation, and already there has been introduced a Bill dealing with that portion of the Patriotic and Relief work—a Bill designed to raise funds for that purpose and at the same time to raise additional funds for the general purposes of the Province.

NEW TAXATION.

The new taxation comes under two heads—a Supplementary Revenue Tax Act and the Coal Mine Owners' Tax Act. Under the former the land alone will be taxed; under the latter there will be a tax upon the revenue derived from the coal mine shipments of this Province. It is hardly necessary in connection with a proposal for new taxation to point out that the need of it is apparent. We must all realize that there must be additional taxation in this country. I dealt with that phase of the matter in connection with the Supplementary Revenue Bill and therefore it is unnecessary for me to repeat it other than to say that it is the conviction of the Government that these imposts should be as equitably and widely distributed as possible upon the people in proportion to their ability to pay. There will be also some slight amendments to our Corporation Taxation Act, but practically the only new taxation this Session will be the two Bills that I have mentioned—the Supplementary Revenue and the Mine Owners' Tax Act. Any surplus arising from money brought to the Treasury through these two channels and required for patriotic purposes will be used to implement the General Revenue Fund of the Province for ordinary administrative purposes. Mr. Speaker, the revenue of this Province was stationary in the early period of the war. In 1915 it was scarcely more than that of 1914; in 1916 the same condition prevailed; it was not until 1917 that there was any appreciable increase in the revenue. While this condition of affairs existed with respect to our revenue, while it was almost stationary up to 1917, it is also a fact that our expenditures increased during all those years and for that reason of course I had to meet this House with a deficit each year. Because of the necessities of the times our expenditures increased while our revenues were not implemented to any appreciable extent by any new form of taxation. The Government did not, during the earlier periods of this war while men's minds were more or less upset and there were uncertainties about business conditions in the future, deem it advisable or desirable that any large measure of taxation should be brought in, and consequently any additional taxation proposed during the earlier periods of the war were only in very limited proportions and practically consisted of amendments to taxation measures already in existence.

To recapitulate, let me say our taxation will provide for the \$800,000 for the Patriotic Fund and also for last year's deficit. We expect to raise about \$1,250,000, of which of course the Patriotic Fund will take over \$800,000. This new taxation, however, will not be sufficient to provide for the extra war requirements and we will likely at the close of the current year 1918 have a deficit of \$201,000. The new services which we will require to meet—the extra war expenditures and production requirements—amount to \$212,666.47.* Let me explain what I mean by that. In addition to the ordinary services which we have been providing in this country year by year

* See Statement No. 6.

we are this year providing new and additional grants and services costing this Province some \$212,000. We have put on extra services to that extent. That includes also some general increases in salaries. The total of these salary increases alone amounts to \$60,325; \$26,830 of it affects Civil Government and \$18,255 affects the Police Vote, and the balance affects other votes generally, but in smaller amounts. In other words, our salary increases throughout the various departments amount to \$60,325†. Adding that to our extra war requirements which we are proposing this year—and perhaps I may not properly call them war requirements—they are new services which we deem advisable in the public interests to give to the people of this Province; some of them are due directly to the war, others are due indirectly to the war and still others of them are due to the natural advance which is being made by the Government along various lines. Some of them again are due to requests on the part of the public who demand services they did not demand before. We have in this country great organizations such as the United Farmers of Alberta, the rural municipal organizations, other organizations of this kind and women's organizations—all these great bodies are meeting annually and are giving their time by way of discussion year by year in an effort to better conditions in this country, and they are supplementing to a very large extent perhaps some of the work in connection with policy that in times past fell entirely upon the Legislature of this country. But now we have these great and powerful organizations with their efficient management and their up-to-date ideas coming to the Government year by year asking us to carry out their resolutions in a concrete way and as far as possible we have been endeavoring to meet their views. These are reasons why it is necessary in the year 1918, in addition to direct and indirect war requirements to place additional sums in the estimates to meet the new policies that are continually being evolved. Therefore we are adding this year new burdens on the Treasury to the extent of over \$212,000. Had we not decided to put these additional amounts in our estimates I might have expected to close the year 1918 without a deficit, but by reason of these additional burdens, I anticipate that, notwithstanding the new taxation we are about to put on during the current year, since the whole of that taxation will not be paid in during the first year of the operation of these two new tax Acts, there will be a deficit, which I will give in detail later on. The deficit will be \$201,416.42. Perhaps members on the other side of the House will be surprised, but notwithstanding our new taxation we cannot avoid a deficit. The reason for the expected deficit is the extra production and war requirements that I have mentioned.

The new taxation is expected to meet the shortage to a large extent and to provide for the \$800,000 required for the Patriotic Grant. This is a large sum to provide for annually out of ordinary revenue. In addition, however, there are further grants for greater production expenditures to be incurred in connection with the rehabilitation of returned soldiers, the care of sick children of soldiers overseas, increased health and educational work, which with other benefactions will make a total requirement of some \$212,000. These services must be met out of income. We are not proposing to borrow any capital money to carry them out but they are to be taken entirely out of income and as a consequence we are likely to have the deficit I have

† See Statement No. 7.

mentioned unless the actual results of our new taxation are quite beyond our expectations. But I have no hesitation in saying that during the earlier years of the administration of these new tax Acts we will not actually collect the amount of revenue that will be earned under these statutes.

PROVINCIAL GOVERNMENT LOAN ISSUES.

Dealing with the Provincial Government loan issues. Let us discuss this. The year 1917 has not been a difficult one so far as that is concerned. In all the sum of \$1,970,000 was raised for capital purposes, this being about \$530,000 less than the amount authorized by the Legislature. Honourable members opposite will appreciate the fact that although they were magnanimous enough to give us authority to borrow some \$2,500,000 last Session, although perhaps at the time they doubted whether it was wise to allow us to have that authority, we have reciprocated to the extent of economizing as far as possible so that it was not necessary for us to use up the whole of the authority which was so generously granted to us by this Legislature, but still have on hand a balance of approximately \$900,000 which we are entitled to issue at any time. We also supplemented our borrowings by the issue of Savings Certificates to the extent of \$375,000, making a total borrowing by way of bond issues and also by way of Savings Certificates and including a loan from the bank of \$300,000, of \$2,346,301.15. Let me say, however, that of that total amount we have since repaid the bank the sum of \$300,000; we paid that off in January of this year. The average rate of interest paid on our borrowings during the past year amounted to $6\frac{1}{2}$ per cent. I think that will compare very favorably with the rate other Provinces are paying to-day. $6\frac{1}{2}$ per cent. was the average rate we paid on our 1917 borrowings.

To give you some short detailed statement of our borrowings. We issued in 1917 5% five-year loan debentures, maturing in 1922 in the sum of \$1,500,000. The first million was sold and cost us 7 per cent. The million and a half we sold at a cost of $6\frac{3}{4}$ per cent. The average price for that million and a half was \$92.02 on every \$100 and an average interest yield of 6.9 per cent. We have repaid money loaned to the extent of \$300,000 at a rate of $5\frac{1}{2}$ per cent, and our total net borrowing for the year, as I said before, amount to \$1,970,000. I have been referring to the loan issues of the past year.

BONDED DEBT.

Let us now refer to the bonded debt of the Province. Our bonded debt as at December 31st, 1917, was \$30,045,172.12*, not allowing for a Sinking Fund of \$550,027.88. Complete details of both the public debt and the Sinking Fund are to be found in the Public Accounts for 1917 which have been laid on the table of the House. For the year 1918 our borrowings will not be greatly increased and it is expected that it will not be necessary for us to borrow any money at all until well on in midsummer or possibly later on in the year. We have no bonds maturing until the year 1922. The Province of Alberta will not require to raise any money for maturing obligations until the year 1922 and in the meantime our borrowings will be devoted exclusively to new capital expenditures that may be required from year to year.

* See Statements Nos. 8 and 9.

DOMINION ORDER-IN-COUNCIL.

With respect to our borrowings—that question naturally brings up the recent Dominion Order-in-Council. I was not here during the earlier part of the Session and I believe there was some discussion respecting it, and it will therefore be unnecessary for me to make any remarks in connection with the matter, further than to say that this Order-in-Council will not interfere with our borrowings in any way. We have, in common with other Provinces, filed at Ottawa a strong protest against this method of arranging to take care of the financial market of Canada for the benefit of Dominion financing. We all realize that Dominion war financing must have first consideration in this country and that other financing must, unless it is of the most urgent character, take a second place. But there are different ways of doing the same thing and it is more than possible that it would have been a better method to arrange by mutual agreement that the market should be clear of other issues when a Dominion War Loan was about to be placed upon the market. For that reason we, in common with the other Provinces, have lodged our formal protest. Of course the fact is that this Order-in-Council was passed pursuant to the War Measures Act and will automatically expire one year after the termination of the war unless for some reason the Government sees fit to legislate otherwise. I do not anticipate that there will be any such legislation, because it is a purely war measure and I believe so far as this Province is concerned our financing will not be interfered with, but at the same time it seemed only proper to protect our rights in this matter, in case it should transpire that the legislation might prove to be of a more permanent character than at present appears.

SAVINGS CERTIFICATES.

*Our Savings Certificates which we have been issuing have borne good results. Up to the present time we have raised over \$588,000 of five per cent. money in this way. A great deal of this money comes from the laboring classes of the community and in small sums. These people perhaps are not well versed in financing as people who are in the habit of dealing with larger sums of money and who are accustomed to the complex process of bond buying; but they have taken advantage very freely of the facilities offered them by this Province in this form of investment, backed as it is by the whole of the assets of the Province, and paying as it does to the man who wishes to deposit his money temporarily a high rate of interest to the depositor, while at the same time affording the Province a comparatively cheap rate of interest. The chief feature in connection with these Savings Certificates is the privilege of convertibility on demand—cashing the certificates on demand—and there is no question, with the security of the Province and the General Revenue Fund behind them as a guarantee, that they will prove a safe and popular investment.

I should like to make an interesting statement in connection with these Certificates—perhaps it is one that I should not make public because financial houses and banking institutions do not generally tell the public what they are doing in this way, but this is a Government institution and the public ought perhaps to know what we are doing. I have to say that we have sold our Savings Certificates not

* See Statement No. 10.

only in the Province of Alberta, but also in Saskatchewan; Manitoba; Ontario; New Jersey; Michigan; Kansas; Chicago; Shanghai, China; Bristol, England; Belfast, Ireland, and many other points.

ASSETS.

Now we come, Mr. Chairman, to the assets of the Province*. This is an annual statement, but it is an important one because people who are purchasing our securities like to know what is standing behind them as a guarantee that they will be paid. The assets of the Province for the year 1917 show a total value of \$131,113,733.17, an increase in assets over the year 1916 of \$4,438,834.27. This sum exceeds the increase in the bonded debt by over 100 per cent. This large increase is due to the sales of school lands,** the proceeds of which increased the amount of the school lands deposit at Ottawa by \$1,334,487.86, and the amount of principal money for this fund still due but uncollected is \$1,537,771.81, realizing a total of \$2,872,259.67, showing an average price per acre of \$19.74, which is the highest in the history of the Province of Alberta. When I say that our assets increased to the extent of over \$4,000,000 I mean that we have received from our school lands funds as above stated—\$2,872,259.67—and we have put into public improvements (through our bond sales) \$1,566,583.60, or a total of over \$4,000,000. Our bonded debt of course went up to the extent of the money borrowed and we are therefore entitled to set on the other side of the ledger the amount of money that went into permanent improvements and to show them as assets to stand against that increase in the amount of debt.

THRIFT—SAVING—FRUGALITY.

I suppose, Mr. Speaker, if I mention the fact that it is desirable and necessary that rigid economy be practised on the part of the Government and on the part of the Legislature during the coming year the statement will be received by members opposite with some doubts having in mind the fact that the estimates for the year 1918 do not show a decrease over the actual expenditures of the year 1917, but rather an increase. But when I say that we propose to exercise rigid economy there is nothing inconsistent with the statement that we propose to increase our expenditure as well. The last word has not been said in economy both in public and private affairs in this Province. Readjustments must be made, both in the manner of living on the part of the public and in the manner of conducting public business on the part of governments. Waste and extravagance must in future be eliminated. We have endeavored to eliminate it in the past and we have done so and perhaps we have thought we were doing it very well. But possibly we will have to go further in this direction and take it more seriously and I believe that before this war is over many things will have to be done in the way of practising economy and restricting our expenditures that will prove not only unpopular to members of this Legislature but unpopular to the people of the Province. Any Government in office carrying on affairs in times like these will have to bear the responsibility and perhaps the disadvantage which will arise from the practice, always unpopular, of curtailing the expenditure of money. It must be borne in mind that when we spend \$1,000 now it does not go so far as the same

* See Statements Nos. 11 and 12.

** See Statement No. 13.

amount would a few years ago. And while on the one hand we may be providing less money for certain services, relatively, at the same time our total expenditures are bound to go up. So that the effect of any policy of retrenchment or economy is more real than apparent, because, as I have stated, the cost of labor and the cost of material have so advanced that it is impossible—absolutely impossible—to give the same service as we have been giving in the past and yet keep the expenditure within the limits of other years. Our revenue on income account for the year 1917 amounted to \$6,260,106.29; our expenditures against income for the same period amounted to \$6,752,502.72, leaving a net deficit—or perhaps a better way for me to put it would be—an excess of expenditure over income of \$492,396.43*. I want, however, to say that but for a certain unforeseen occurrence—something that only happens once in four or five years in this country—I could have met this Legislature with a very much smaller deficit than I am now presenting for the year 1917. While our deficit is nearly half a million, we could have met this House, had there not been a provincial election, with a deficit of only \$200,000, and surely you will not hold the Provincial Treasurer of this Province responsible for the fact that it was thought desirable to consult the electors of this country in order that we might have in this Legislature the splendid representation that we now have? I am sorry to miss some of our old friends, both on this side of the House and on the other side of the House, men of ability, men who have done good work on behalf of the Province, not only on behalf of the Province but of their constituents, men who in some cases were perhaps misunderstood by their constituents and men who were unappreciated by their constituents. However, they are not here but there are others in their places.

BANK BALANCES, DECEMBER 31, 1917.

Now with regard to banking matters. The amount of money on deposit in the bank at the close of our last fiscal year—December 31, 1917—was \$589,458.14 on General Revenue Account, and \$175,484.46 on Telephone Account; so that when the year closed we were in comparatively easy circumstances so far as cash was concerned. That in my opinion is not too large an amount to have on hand considering the exigencies of the times, considering that no one knows from month to month whether money can be obtained in the money markets.

Our annual expenditures for the year 1917 apart from Income Account amounted to \$2,155,033.94, the details of which I hold in my hand and these details will be available for the information of members if they so desire.

ANALYSIS OF REVENUE AND EXPENDITURE.

INCOME ACCOUNT.

With regard to the excess expenditures of \$492,000, let me say that this also was occasioned by the fact that the shortage of estimated revenue for 1917 amounted to \$651,693.63; that is, we estimated we would get a certain amount of revenue but when the year ended we found we were not able to collect that revenue although we had earned it. It was not paid in and therefore there was a sum of over \$600,000 that we did not have at our disposal to pay our debts with at the

* See Statement No. 14.

end of the year and of course we naturally would have a deficit under those circumstances. Then against that again, we have a net excess of expenditures over the estimate of \$68,043.05; that is, we spent over \$68,000 more than we estimated—more than this Legislature voted us—but which moneys we will during the present Session ask this Legislature to confirm and vote by way of Supplementary estimates. This money was spent on Governor's Warrant and was for matters that were deemed necessary and in a large measure were unforeseen at the time the estimates were presented; so that we had a net shortage of revenue of over \$600,000, and an over expenditure of \$68,000, and it left the actual deficit of \$492,000* as I have stated. This amount though, has been earned; it is due us, we have ample security for it; it will be paid in, a little this year and a little next year and some more the next year. And I am very much pleased to be able to say to this House that with respect to statements I made in previous years to the effect that we had earned money but had not collected it and that it would come in later on—I am pleased to say that during the present year and during 1917 that revenue did come in as well as we expected. And no doubt this amount I have just mentioned will be collected later on.

We have collected in certain instances more revenue than we estimated and I think it will only be proper for me to show this House wherein we collected more revenue than we estimated last year. We received, covering a fractional part of the year only, the sum of \$26,452.23 additional money from Ottawa on account of school land funds. This extra amount of money came as a surprise. It was a surprise to us for this reason, that it was due to the fact that the Federal Government, instead of allowing this school land money to lie in the Bank at Ottawa at 3 per cent., took the advice that was given them last year and invested it in their own securities at a higher rate of interest, so that it is now earning a rate of interest of 5 per cent. instead of 3 per cent. The result is, that for a portion of the year only, we have received an additional amount of over \$26,000. Perhaps it might not be immodest on my part if I were to say that this is something more than coincidence, because last year in the Budget Speech I used this language: "If this law had been complied with by investing the funds on hand in Dominion securities, this Province would have received, instead of interest at 3 per cent., an average of nearly 5 per cent., which would have increased the revenue of this Province since 1905, for the whole period by \$282,035.54, all of which sum could have been applied to increase educational facilities in this Province." That statement was made in the Budget Speech of last year and almost contemporaneously with it we find the Dominion Government invested this money in their own securities at the increased rate of interest.

There were other items in connection with which we collected more than we expected it would. The area of school lands† sold in Alberta to December 31st, 1917, is 733,390 acres. The total realized previously up to the end of 1917 amounted to \$10,252,858.75. There was still owing in arrears at that date—the end of 1917—principal moneys to the extent of \$2,631,676.72 together with arrears of interest which belong to us and which we should have for our own current use. We cannot claim the principal money because it does

* See Statement No. 14.

†See Statement No. 15.

not belong to us; we only get the interest on that amount, but interest amounting to over \$800,000 was in arrears at the end of December last. The arrears of principal and interest through non-collection are not available for the immediate use of this Province, and there is created by such non-collection an element of risk that in some cases arrears may accumulate to such an extent that the purchaser would not find it to his advantage to complete his payments. The Province is thus deprived of a certain amount of revenue. Of course, under existing circumstances that is hardly likely to occur because generally speaking, as time goes on these lands advance in value, but, no doubt, in certain sections of this country school lands have been purchased by people at a price which they afterwards considered too high, with the result that arrears accumulate and the purchase money is not collected. We have the assurance now from the Dominion Government that these school land contracts will be placed on a different basis and new contracts will be issued in all cases where the old contracts are now in arrears. They are now in a position with respect to these contracts to say to the purchaser: "Pay up your money; if you do not we will oblige you to enter into new contracts and the new contracts will carry a rate of interest at 6 per cent.," and we will get the additional benefit of one per cent. on these new contracts. If the purchasers do not enter into the new contracts it means their interest in the land will be cancelled; to avoid such an eventuality they will be obliged to pay up the arrears. Let me deal further with the additional revenue we have received.

From the Motor Vehicle Act, aided by the Corporation Tax Act and the Amusement Tax we netted the amount of \$178,268.38, while the Telephone Department had a revenue of \$40,802.56 in excess of the estimates. Now I have given you a list of the cases where revenue exceeded expectations. I will now give you one or two instances where the revenue did not meet our expectations. The Wild Land Tax collections were short of the amount in the estimates by about \$948,559.04, creating thereby a large deficit on the revenue side. In other words, the Wild Land Tax collections did not come in as freely as we expected they would, and this has had a detrimental effect upon our balance sheet. But notwithstanding that large shortage of collection the deficit at the end of the year was only slightly over the half-million mark. Had the Wild Land Tax come in more freely we would have reduced our deficit to a considerable extent. The current year, however, is the year in which we are entitled to take tax enforcement proceedings under the Wild Land Tax Act and we anticipate that our revenues in that respect will be greatly implemented over what they were in the year before.

Now it will be interesting also to note in what cases we spent more money than we estimated. Our actual expenditure exceeded our estimated expenditure by only a small amount. We could not control our revenue but we were able to control our expenditures and we have not exceeded the revenues by any large amount. The over expenditure was, as I have already stated, contributed largely by the Provincial elections and some other miscellaneous votes, part of which were offset by savings effected on some half-dozen other expenditure votes.

TELEPHONES.

In the Telephone Department for the year 1917 there was a surplus on Income Account, after paying all interest and maintenance

charges—charges for operating and maintaining the system in a proper state of repair—of \$150,942.87. I have now dealt with the differences between the actual and the estimated amount both with respect to our revenue and with respect to our expenditures and I have shown that so far as our expenditures are concerned we have kept pretty well within the mark as estimated.

RAILWAY SITUATION.

Now there is another matter of public importance which I think has a bearing on the financial position of this Province so far as the outside world is concerned and particularly the people from whom we must secure capital moneys. I refer to the railway situation in this Province as affecting its general credit. You all know that some years ago the policy of guaranteeing the bonds of railroad companies was inaugurated, it being thought that that system was preferable to the system of the Province going into railway construction on its own account—building branch lines that perhaps would start nowhere and end nowhere, figuratively speaking, and would be at the mercy of the larger railroad trunk systems of this country. However, be that as it may, this House undertook to assist railway construction in this Province by means of guaranteeing bonds. The country on two occasions has approved of that policy; indeed, members who at one time sat on the other side of the House had as a plank in their platform the disapproval of that guarantee policy. That need not concern us now and perhaps it would be unfortunate if I were to refer to that matter as these men are not now in the House. However, with regard to our railway situation, it has been the custom in the past in figuring our financial debt to include the direct debt and also the indirect debt of this Province or the contingent debt by reason of our railroad guarantees. The statement was made in that way upon a number of occasions during the election.

Mr. Hoadley: It was published in the Bulletin.

Hon. Mr. Mitchell: I was not responsible for that, but I think I know who was. With respect to this matter I would like to say that in my opinion it is both unfair and improper to have the contingent liabilities due to our guarantees charged to the direct debt of the Province, but we could not prevent these statements being made. All we could do was to explain to the Public wherein they were inaccurate and apparently the Public believed our side of the question. But looking at this in its worst light I would say that by reason of the exigencies of the case and by reason of the changed conditions from time to time in connection with railway problems in this country it has come to the point where the Dominion Government has seen fit to acquire the stock of the Canadian Northern Railway; and while I do not make the direct statement that we are as a matter of fact absolutely and legally relieved of our contingent liability so far as our bond issues for the Canadian Northern Railway are concerned, at the same time it is a proper statement to make that we are morally free of these liabilities. Now that the Dominion Government has acquired this stock, now that the Dominion Government is pouring money into the coffers of the Canadian Northern Railway system and not leaving it to Mackenzie and Mann, they must look after the bond maturities. I understand they are contemplating the spending of large sums of money on the Goose Lake extension of the Canadian

Northern Railway—a highly desirable thing for them to do, but each year that they spend these hundreds and thousands of dollars in improving the roadbed and putting increased rolling stock on that great system, to that extent they are obligating themselves more deeply and committing themselves more effectively to the ownership and control of that road and putting themselves into the position where, in order to protect their own millions of dollars that will go into that road, they must necessarily take care of the bond issues guaranteed by the Province. That, I think, is a fair statement to make. They have taken over the complete ownership of this road and they necessarily assume the liabilities because they could not afford to default, and if anybody is going to default in connection with the payment of principal or interest on these guaranteed bonds, guaranteed by this Province, it is going to be the Dominion of Canada who will default, and I think the Dominion of Canada is not at the point where they will either be obliged to default or is at the point where the Ministers of the Crown would want to see it default; I am sure they would not. Now what is the net result of that situation? The Province is now practically relieved of that obligation and honorable friends may say that we are pleased. Why, of course we are pleased; everyone is pleased to be relieved of a liability. We thought it worth while to assume this contingent liability. Whether you think that is proper or whether you do not, we thought it worth while to assume that burden because we thought it was necessary to have branch line construction throughout the length and breadth of this Province and we have had the resultant construction and the country is being served; it is true it is not being served nearly to the extent we would desire. Had it not been for certain conditions that arose, such as the war, no doubt this policy would have been much more implemented than it has been. But it was necessary to have railroads in this country and the Government of this Province felt it necessary to do what they did, and it is a very happy outcome of the situation that we are now to be relieved of a contingent liability of \$22,244,250, which is approximately almost one-half of the total liability of this Province on account of railway guarantees executed to date. I will give you a statement*, Mr. Speaker, with respect to this. The total Provincial liability with respect to railway guarantees is as follows: The total Canadian Northern Western Railway executed guarantee is as follows: Total liability executed, \$45,520,450; that is for all railroads. Of this amount, guarantees of the Canadian Northern and Canadian Northern Western Railways amount to \$22,244,250, leaving a balance that we are still liable for of \$23,276,200.

Then there is a further question being discussed by the Dominion Government and also by the Public of Canada at the present time. That is the question of the future of the Grand Trunk Pacific Railway in this country, and while we do not know just what the outcome of these deliberations will be, the trend of affairs points very markedly in the direction of the Government following the same course with respect to the Grand Trunk Pacific as it has with respect to the Canadian Northern Railway, although in making that statement I am only giving my own personal opinion based on a consideration of current events during the last year of so and my statement is in no way official. But assuming for the purposes of argument that the same policy will be

* See Statement No. 16.

followed with respect to the Grand Trunk Pacific, we will be relieved then of a further contingent liability of \$4,182,500, that being the extent of our executed guarantees with respect to that railway, and we will then be left with a net railway guarantee liability of \$19,093,700.

ROAD CONSTRUCTION.

Having dealt with the railway situation in this limited manner I suppose the next matter closely allied to the railway transportation problem will be the road situation, and as we are to have a new Highway Bill this year and as the estimates for the Public Works Department will be dealt with very minutely in Committee of Supply, it will be unnecessary for me to deal with the matter here more than to refer to it in a general way. This year there will be the sum of \$400,000* on Income Account available to spend on roads and you will be asked to vote that much money for that purpose. The revenue from the Motor Vehicle Act will be ear-marked and allocated to that purpose; if it amounts to \$400,000 it will be spent for that purpose, but if it exceeds that amount it cannot be spent except by special warrant or by subsequent vote of the Legislature in another year. But this House can rest assured that no matter how much the revenue from the Motor Vehicle Act may be this year or in subsequent years that the whole of that money, less the cost of collection, will be exclusively used for road purposes. When I say it will be spent on roads, of course naturally some of it may be spent on the smaller bridges and the necessary drainage, but chiefly by way of maintenance and in road construction.

The Member for Gleichen: Have you information to indicate to you that the amount received will not be in the neighborhood of \$475,000 or thereabout?

Hon. Mr. Mitchell: No. I simply estimated what I think we will get. I am afraid there would be some criticism in this House if I estimated higher than \$400,000.

LIVE STOCK ENCOURAGEMENT ACT.

Now there is the matter of rural credits in this Province and what is very popularly and commonly known as the "Cow Bill." I refer to the Live Stock Encouragement Act. The operation of that Act, in my opinion, and I think I express the opinion of the Government, the operation of that Act this year has proven a complete success. Some of the criticisms that were raised against that Act and that were used to more or less belittle it in the minds of the Public at a time when arguments of that kind would be most injurious to members on this side of the House have long since been dissipated and proven to have been unfounded. Unfortunately some of the members who were most aggressive in denouncing that Act and its inability to meet the requirements of the case are not here; they have been left behind—left at home, a further proof of the fact that they could not see ahead sufficiently to know that a Statute of this kind was highly in the interests of the Public and that it was possible in this country to obtain five men who were willing to go on a joint note to the extent of \$2,500 for the purpose of taking advantage of this Act. They actually did find five men in this country who would go on that joint note, notwithstanding the statement made at the

* See Statement No. 17.

time the Act was going through the House, and we find men have done so to the extent of \$500,000—men who had confidence in their neighbors. And the Minister of Agriculture has announced that this Bill will be proceeded with during the year 1918 and that it is within his power to double the amount that will be advanced to the settlers in the poorer sections of the country and where the benefits of this Bill will be more largely felt—in the class of country where this particular Bill is more necessary than it is perhaps in the wheat growing sections of the Province, and he has already stated that \$1,000,000 will be available. Do you ever stop to consider what it means to a group of farmers to be able to obtain money at six per cent. for such purposes? Assuming that usual rate of interest—supposing this Bill had not been passed and the farmer had to go to the Bank to get his money and assuming he was fortunate enough to get it at 8 per cent. That, compared with our rate, means a saving of \$10 per annum to each recipient of a \$500 loan. So that during the period of the loan the farmer would be able to save by reason of this advantageous rate of six per cent. sufficient money to buy a cow. The Minister of Agriculture is able through the provisions of this Bill to arrange for money at six per cent. so that each man who borrows \$500.00 is able to save by the reduction in that rate to that extent. The total amount loaned out in this way during the year 1917 is \$503,670. We have had applications for a very much larger amount than that, but either by reason of the fact that they were not found desirable or by reason of the fact that further moneys were not available, only the amount I have stated has been advanced.

FARM LOANS.

It is unnecessary for me to make any extended reference to the fact that this Government has not brought into active operation what is known as the Farm Loan Act, the Act that was designed to give long term loans to the farmers of this country on the mortgage security of their farms. The reasons why that Bill was not proceeded with are quite apparent to every member of this Legislature as they are, I think, to almost every farmer who was interested in this class of legislation. The Government saw fit to make a public announcement setting forth their reasons and there is no necessity for me to repeat these reasons on this occasion other than to say that that Act presupposed the securing of a continuous flow of money in order that the spread of one per cent. which we were charging for administrative purposes might be sufficient to cover the cost of administration. Circumstances arose after the passing of that Act whereby we were shut out of the money markets that we intended to go to—that of the United States—and a sufficiently large sum of money to properly operate the Act in the way it was contemplated is not now available. We could borrow it to the extent of a million or two million or perhaps three million dollars but that is not the principle on which that Act is based. The Act presupposed a continuous supply of money year by year until possibly the amount involved would run up to eight or ten million dollars and then the Act would be on a self-sustaining footing. As we all know, it was utterly impossible to provide that amount of money and to get it at a rate that would enable us to add one per cent. to it and re-loan it to the farmer at a price it would pay him to borrow it.

ESTIMATES.

Now, Mr. Speaker, I will deal only with the estimates for the coming year and then bring my remarks to a conclusion. Let me compare the revenue side of the estimates with last year. There is an increase this year estimated at \$33,000. That is, we expect the Treasury Department to produce additional revenue this year over what it produced last year to the extent of \$33,000. This is mainly due to the transfer of the administration of the estates of insolvent persons to the Treasury Department, also an increase of \$72,574, estimated to be produced by the additional revenue we expect to receive from the Land Titles Office. The Provincial Secretary's Department expects to show an increased revenue of \$145,231 chiefly made up of the additional fees expected on account of Motor Vehicle Licenses. In the Public Works Department we expect an increase over last year's income of \$281,995, due to the Mine Owner's Tax and the transfer of the administration of Public Institutions to that Department. There is no appreciable change in the Education Department or in the Department of Agriculture. To summarize our estimates for 1918 we expect to receive on income account for 1918 a total income of \$8,051,410.24. On the other hand we expect to expend on income account during the same period a sum of \$8,252,826.66,** or an over-expenditure of \$201,416.42.* I have a statement in detail showing where our various increases of expenditure over last year occur and also our estimated increases of revenue over last year, but as the statement is rather a lengthy one I will not take up the time of the House with it but it will be available for the Public later. In the Municipal Department we expect to receive increased revenue to the extent of \$1,098,000. This is due to the Supplementary Revenue Act; and the Telephone Department expects an increase of \$59,000.

Now I will turn my attention to what we expect to expend over the actual of 1917. You will notice in the estimates of expenditure an increase of \$165,617.83 on account of interest on the public debt. This is due to additional interest on new borrowings; that is, on borrowings of last year and possibly borrowings during 1918. We may not expend it, but we insert a sufficient amount under that heading to cover the interest charge on our borrowings, providing we make any. So any new borrowings for 1918 will require an additional expense of over \$165,000.

Under Civil Government a readjustment was necessary as certain items had been formerly charged to Civil Government votes which were properly chargeable elsewhere and instead of an increase under Civil Government there is a reduction of \$65,251.06 although some \$26,000 was added to the salaries of the Civil Service staff.

Under Administration of Justice there is an estimated decrease of expenditure of \$58,658.67. This is due in part to the elimination of former payments made towards the Royal North West Mounted Police. The Public Works Department will have an increased expenditure this year over last year of \$379,592.17. (I am referring now of course to income account exclusively.) This is the result of proposed increased expenditures on roads and bridges, of the transfer

* See Statement No. 18.

** See Statement No. 19.

of the maintenance of public institutions from the Provincial Secretary's Department to the Department of Public Works.

Further increased expenditures are as follows: The Education Department requires a further sum of \$49,224.03, due partly to additional grants to schools, which expenditures are beyond our control as they are statutory, and partly to increase the salaries in the outside service of that Department. The Department of Agriculture asks for an increase of \$80,989.30. This is due to increased expenses. Under Hospitals, Charities and Public Health there is an increased expenditure of \$96,338.29. This is a very desirable item of expenditure and I think no fault will be found with this Government for providing so large additional expenditures to the Hospitals, Charities and Public Health vote. The increased vote for Public Health* will include a provision for medical inspection of various kinds in schools and otherwise. The Municipal Affairs Department will require additional moneys to spend, amounting to \$67,298.44 over last year. This is due very largely to making provision for the payment of commissions to municipalities in connection with the Supplementary Revenue Act and also for collecting the Wild Lands Tax and Educational Tax, as the rural municipalities are now carrying out that work for the Government and we pay them a commission of two and a half per cent. on their collections.

Increases in the maintenance and operation, including salaries, of the Telephone Department, account for an additional expenditure of \$110,140. We have this year a new vote under the head of "General Administrative Purposes," and some items of expenditure will be found under that head. That is, we have transferred from certain Civil Government votes themselves, different administrative votes, and placed them under the general head of "General Administrative Purposes." This vote of General Administrative Purposes accounts for an additional expenditure of \$121,850. Under the head of "Miscellaneous" there will be a largely increased expenditure, due almost entirely to a grant of \$800,000 to the Canadian Patriotic Fund. There are other small increases, but these are almost counterbalanced by reductions elsewhere. For instance, last year's appropriations on account of elections is not required but the Provincial Police are asking for an increased expenditure this year owing to a decision to raise the salaries of the single and married members of that Force. The cost of the Provincial elections for 1917 amounted to \$188,000 approximately.

ESTIMATED DEFICIT FOR THE YEAR 1918.

We estimate a deficit for the year 1918—and it is only an estimated deficit and that estimated deficit may disappear and become a surplus and on the other hand it may be slightly augmented. If the forecast of my honorable friend from Gleichen turns out to be right I think my former statement that we may have a surplus will be nearer the mark than the other. However, to make assurance doubly sure we have been as conservative as possible in the preparation of our estimates for expected revenue, and we will, as I have said, expect a deficit of some kind. As I have said, also, this is due largely to the uncertainties of the receipts for the Fiscal Year under the new taxation Acts, and there is an increase demanded in the various ways I have stated.

* See Statement No. 20.

CONCLUSION.

Now, Mr. Speaker, I apologize for occupying the time and attention of this House to the extent that I have, but I have endeavored in the course of my remarks to give this House and, through this House, the country, as much information as possible. It has been my object in the preparation of these estimates so far as the revenue was concerned not to take credit for one dollar more revenue than I thought we would actually collect. On the other hand, while the expenditures may have increased over last year, there are good and sufficient reasons for that increase as I have already stated, and the exceptional items amount to some \$221,000—items that we were not required to spend in the ordinary course of events during the year 1917 but which will now be necessary in 1918 if the programme of increased production, increased aid to hospitals, increased vote for health matters and other important services which we have been called upon to perform are provided for.

Let me say in conclusion that as I did not have the opportunity of taking part in the debate on the Speech from the Throne and as I did not have an opportunity of entering into the subsequent discussion that took place in connection with the Premier's report on his trip to the Ottawa conference, I did not have the opportunity to congratulate this House on the acquisition to its membership of the two lady members. I think it is very desirable that, having extended the franchise to the women of this country and also not only the franchise but the right to hold office in this country up to the highest office in the gift of the people—I think it is only right that the people who received this franchise should have some of their own sex in the House. Now we have also in our membership other members of a more or less, shall I say, independent frame of mind? We have for the first time, in my opinion, real independents. We have had independents in this House on other occasions—men whose campaign consisted very largely of a campaign of independence—they were coming to this House to support the Government in its good measures and to oppose the Government in its improper measures. That was the old style of independence, so-called. We found in the case of one that he rapidly developed from an independent member to a leader of one side of the House. Then we had another member elected by his constituency as an independent who promptly on the first day of the Session took his seat on the other side of the House before he knew whether we were going to introduce any good legislation or not. I am very pleased to see, Mr. Speaker, that the independents who are now in the House are at least waiting to see whether or not we are going to introduce good legislation or improper legislation, and I congratulate them on their new kind of independence. So far as the soldier members—and I refer more particularly to the two overseas members representing the constituencies at large in this Province—I want to say a word about them, not in any way passing over or failing to recognize the services of the other soldier members who were formerly members of this Legislature and who went overseas and fought the good fight and some of whom are now returned as casualties and some of whom are now returned to carry out their parliamentary duties—some of whom are still on the firing line; I have not so much to say about them, because as far as we are concerned they are now an old story in this House

and we appreciate what they have done and it is unnecessary for me to make any reference to them. But the new soldiers' representatives for the two overseas seats—I wish to congratulate those soldiers at the front in having selected as their representatives two members of the type which they have sent. Those soldiers when they cast their ballots were either in England or in France. The latter were in the midst of fighting, in the midst of horror and cruelty—these were perhaps doing everything but seeing life under normal conditions and these men instead of selecting perhaps people whom we think they naturally would select—taking men perhaps from the front trenches—selected in the one instance a lady member—one who was a member of the profession which administered to the comforts and the physical wants of the men who were suffering the horrors of war—who was representative of the tender sympathetic side of life, and it is to the credit of these men that they selected the honorable member for the overseas seat, Miss Roberta MacAdams—if you will excuse my mentioning her name in the House. And then they selected as their other representative one who took an active part in the combatant side of military life, but who at the same time has during his lifetime been associated with that other class of work which more largely than anything else enters into their uplift and their welfare. And they have used good judgment in selecting one who had identified himself more than most other men with Y.M.C.A. and kindred work. I think it is to the credit of these men that they had the discernment and good judgment to send these two representatives and I want to say, in my opinion, and in the opinion of the whole House, that this Legislature and the work that will in future be turned out of this Legislature will be of a better class and a better character by reason thereof and that not only will the two lady members stamp their influence upon the legislation but also the independent members as well will have to be reckoned with and that their presence will be felt in this Legislature, and on the whole I think perhaps it is well under existing circumstances—and the times that we are now living in—that we should break away a little from parties. And to that extent we were wise in passing the legislation we did to make it possible to have these two soldier members and some of the constituents were wise in selecting people of more or less independent frame of mind, members who I know will support the Government in all good legislation and who will also oppose the Government in all matters which do not meet with their approval. I trust I will be excused, Mr. Speaker, for making what I consider some political reference in connection with the Budget Speech but my excuse is that I did not have the opportunity on an earlier occasion in the Session of participating in the discussions.

STATEMENT NO. 1.

WOOL GROWING.

| | 1914 | 1915 | 1916 | 1917 |
|---------------------------|--------------|-------------------|-------------------|----------------|
| No. of pounds handled --- | 1,477,007 | 1,570,053 | 2,048,340 | 2,086,633 |
| Prices realized, cents -- | .16 | .25 $\frac{1}{4}$ | .30 $\frac{1}{2}$ | .57 |
| No. of Producers ----- | 570 | 860 | 950 | 1150 |
| Value ----- | \$236,321.12 | \$396,438.38 | \$624,743.70 | \$1,189,380.81 |

STATEMENT NO. 2.

COAL PRODUCTION IN 1917.

| | | |
|------------------|------------------|------------------------|
| Lignite ----- | 2,537,829 Tons | \$ 7,613,487.00 |
| Bituminous | 2,206,868 " | 7,724,038.00 |
| Anthracite ----- | 118,717 " | 415,509.50 |
| Briquettes ----- | 93,818 " | 375,272.00 |
| Coke ----- | 31,630 " | 126,520.00 |
| | <u>4,988,862</u> | <u>\$16,254,826.50</u> |

STATEMENT NO. 3.

ESTIMATED YIELD AND VALUE OF AGRICULTURAL PRODUCTS, 1917.

| | Acreage | Bushels | Yield per acre, bus. | Price | Revenue |
|---------------------------------------|-----------|------------|-------------------------|--------|------------------|
| Spring Wheat --- | 2,845,647 | 52,644,469 | 18½ | \$2.00 | \$105,288,938.00 |
| Winter Wheat -- | 51,693 | 1,214,785 | 23½ | 2.00 | 2,429,570.00 |
| Oats ----- | 2,537,883 | 84,384,610 | 33¼ | .60 | 50,630,766.00 |
| Barley ----- | 472,112 | 10,504,492 | 22¼ | 1.00 | 10,504,492.00 |
| Flax ----- | 139,827 | 1,153,572 | 8¼ | 2.50 | 2,883,930.00 |
| Rye ----- | 30,883 | 787,516 | 25½ | 1.50 | 1,181,274.00 |
| Other grain crops | 49,114 | 884,052 | 18 | 1.00 | 884,052.00 |
| Hay ----- | 492,522 | 492,522 | 1 | 10.00 | 4,925,220.00 |
| Potatoes ----- | 48,917 | 7,337,550 | 150 | .60 | 4,402,530.00 |
| Turnips ----- | 5,746 | 1,149,200 | 200 | .50 | 574,600.00 |
| Carrots ----- | 5,199 | 1,039,800 | 200 | .50 | 519,900.00 |
| Animals Slaughtered and Sold | | | | | 45,000,000.00 |
| Dairy Products | | | | | 25,000,000.00 |
| Wool Clip (2,086,633 lbs.) | | | | | 1,181,682.00 |
| Game and Furs | | | | | 2,000,000.00 |
| Horticultural | | | | | 175,000.00 |
| Poultry and Product | | | | | 3,500,000.00 |
| Coal and Coke and other Coal Products | | | | | 16,254,826.50 |
| Manufactured Products | | | | | 40,000,000.00 |

1917 ----- \$317,336,780.50
 Increase over 1916 in Live Stock on hand ----- 15,972,403.00

1917 ----- \$333,309,183.00
 1916 ----- 207,838,297.09

1917 Increase ----- \$125,470,885.91

Production per capita, \$639. Increase 60%.

| Live Stock | Number | Price | Value in Dollars |
|--------------------|---------------------|----------|------------------|
| Horses ----- | 718,317 | \$100.00 | \$71,831,700.00 |
| Swine ----- | 730,237 | 15.00 | 10,953,555.00 |
| Sheep ----- | 276,966 | 8.00 | 2,215,728.00 |
| Dairy Cows ----- | 325,861 | 50.00 | 16,293,050.00 |
| Calves ----- | 363,583 | 10.00 | 3,635,830.00 |
| Steers ----- | 187,538 | 40.00 | 7,501,520.00 |
| Other Cattle ----- | 616,671 | 30.00 | 18,500,130.00 |
| Bulls ----- | 41,861 | 75.00 | 3,139,575.00 |
| | 1917 ----- | | 134,071,088.00 |
| | 1916 ----- | | 118,098,685.00 |
| | 1917 Increase ----- | | \$15,972,403.00 |

STATEMENT NO. 4.

STATEMENT OF MONEYS RAISED IN ALBERTA DURING THE GREAT WAR, FOR PATRIOTIC AND RELIEF WORK.

Public Contributions.

| | 1914-15 | 1916 | 1917 | Total |
|---------------------------|---------------------|---------------------|-----------------------|-----------------------|
| Belgian Relief ----- | Not available | by years | | \$ 86,000.00 |
| Jewish Relief ----- | Not available | by years | | 9,750 00 |
| Sailors' Relief ----- | Not available | by years | | 15,168.00 |
| Serbian Relief ----- | Not available | \$1,303 00 | \$ 3,339.91 | 4,642 91 |
| British Red Cross ----- | \$ 3,281 52 | 2,570.16 | 38,012.00 | 43,012 00 |
| Canadian Red Cross ----- | 42,738.74 | 171,245.08 | 341,317.70 | 555,301.52 |
| Patriotic Fund ----- | 350,229.00 | 688,416 70 | 766,886.29 | 1,834,245.70 |
| Tobacco Fund (O.S.) ----- | | | | 15,000 00 |
| Halifax Relief ----- | | | 100,000.00 | 105,000.00 |
| | <u>\$396,249.26</u> | <u>\$863,534.94</u> | <u>\$1,249,555.90</u> | <u>\$2,668,120.13</u> |

In addition to the above total of \$2,668,120.13 the Government of this Province has contributed **\$380,701.16**.

The time has come, however, when a more equitable distribution of these patriotic burdens must be devised. The Government of the Province has therefore decided to secure it by means of Taxation.

STATEMENT NO. 5.

STATEMENT OF GOVERNMENT GRANTS FOR PATRIOTIC PURPOSES SINCE OUTBREAK OF THE GREAT WAR.

| | 1915 | 1916 | 1917 | Total |
|---|-------------------|---------------------|--------------------|---------------------|
| Con. Home - Belgian Soldiers | \$ 486.66 | | | \$ 486.66 |
| Belgian Relief ----- | 1,000.00 | \$ 15,053.33 | | 16,053.33 |
| Gift of Oats to Britain ----- | | 271,815.81 | | 271,815.81 |
| Catholic & Huguenot Relief ----- | | 1,999.99 | | 1,999.99 |
| Recruiting ----- | | 3,000.00 | \$ 1,000.00 | 4,000.00 |
| Patriotic Fund Act. North and South ----- | | 11,500.00 | 13,500.00 | 25,000.00 |
| Returned Soldiers ----- | | 8,606.38 | 15,688.99 | 24,295.37 |
| Halifax Relief (1917 only) for 1918 see below ----- | | | 50 00 | 50 00 |
| Boy Scouts ----- | | 1,000.00 | 1,000.00 | 2,000.00 |
| British Sailors ----- | | | 5,000.00 | 5,000.00 |
| Military Y. M. C. A. ----- | | | 5,000.00 | 5,000.00 |
| French Wounded Emergency ----- | | | 10,000.00 | 10,000.00 |
| Red Cross ----- | | | 5,000.00 | 5,000.00 |
| Miscellaneous ----- | | | 426.11 | 426.11 |
| | <u>\$1,486.66</u> | <u>\$312,975.51</u> | <u>\$56,665.10</u> | <u>\$371,127.27</u> |
| Grant to Halifax Relief, 1918 ----- | | | | 10,000.00 |
| | | | | <u>\$381,127.27</u> |
| | | | Less ----- | 426.11 |
| | | | | <u>\$380,701.16</u> |

STATEMENT NO. 6.

Accounting for Estimated Deficit 1918.

ADDITIONAL GRANTS, ETC., 1918.

INCOME ACCOUNT.

| | |
|--|---------------------|
| Reformatory and Children's Protection | \$ 10,647.56 |
| Education | 49,337.98 |
| Agricultural Societies | 501.39 |
| Grant to Horse Breeding Association, Edmonton | 500.00 |
| Grant to Cattle Breeding Association, Edmonton | 500.00 |
| Grant to Western Canada Live Stock Union | 500.00 |
| Assistance to Greater Production Movement (Share of Province) | 25,000.00 |
| Grants under Hospital Ordinance | 11,890.25 |
| Public Health Act | 52,134.24 |
| Medical Services to and care of Soldiers' Children | 15,000.00 |
| Care of Incurables | 1,055.05 |
| Municipal Hospitals Act | 5,000.00 |
| Miscellaneous, Public Benefactions, Administration of Lunatics' Estates, Factory Act | 11,600.00 |
| Seed Grain Administration (Share under Dominion Seed Grain Act) | 29,000.00 |
| | <u>\$212,666.47</u> |

STATEMENT NO. 7.

INCREASE IN SALARIES OVER 1917.

CIVIL GOVERNMENT.

| | |
|---|--------------------|
| Executive Council | \$ 480.00 |
| Attorney-General's Dept. | 1,860.00 |
| Provincial Secretary—General | 720.00 |
| Provincial Secretary—Theatres Act | 300.00 |
| Provincial Secretary—Motor Vehicles | 660.00 |
| Municipal Affairs | 6,720.00 |
| Treasury Department | 2,980.00 |
| Audit Department | 2,620.00 |
| Public Works Department | 2,580.00 |
| Education Department | 4,800.00 |
| Agriculture Department | 1,720.00 |
| Railways and Telephone Department | 250.00 |
| King's Printer | 660.00 |
| King's Printer Advance | 480.00 |
| | <u>\$26,830.00</u> |

INCREASE IN SALARIES OVER 1917.

GENERAL.

| | |
|--|--------------------|
| Administration of Justice | \$ 2,450.00 |
| Public Works | 5,150.00 |
| Education | 3,560.00 |
| Agriculture | 3,400.00 |
| Hospitals, Charities and Public Health | 700.00 |
| Miscellaneous (including Police) | 18,235.00 |
| | <u>\$33,495.00</u> |
| Total | <u>\$60,325.00</u> |

STATEMENT NO. 8.

MATURITY OF LOANS.

| | | |
|------------------------------|--------------|------------------------|
| 1922 | | |
| 10-year Debentures | ----- | \$4,937,706.67 |
| 5-year Debentures | ----- | 1,595,000.00 |
| | | <u>\$ 6,532,706.67</u> |
| 1923 | | |
| 10-year Gold Debentures | ----- | 3,600,000.00 |
| 1924 | | |
| 10-year Gold Debentures | ----- | 7,400,000.00 |
| 1925 | | |
| 10-year Gold Debentures | ----- | 4,000,000.00 |
| 1926 | | |
| 10-year Gold Debentures | ----- | 2,000,000.00 |
| 1938 | | |
| 30-year Gold Debentures | ----- | 2,000,200.00 |
| 1942 | | |
| 30-year Stock | ----- | 62,293.33 |
| 1943 | | |
| 30-year Stock (partly debs.) | ----- | 5,000,000.00 |
| | | <u>\$30,595,200.00</u> |
| | Sinking Fund | ----- 550,027.88 |
| | | <u>\$30,045,172.12</u> |
| | Net Debt | ----- |

STATEMENT NO. 9.

PROVINCE OF ALBERTA

Allocation of Permanent Loans Raised from 1905 to 1917.

| | |
|---|-------------------------------|
| (a) Directly Reproductive Undertakings: | |
| Telephones | \$9,336,583.18 |
| Demonstration Farms | 321,653.78 |
| | <u>\$ 9,658,236.96</u> |
| (b) Investments—Revenue Producing: | |
| Advance—Central Canada Railway | \$2,000,000.00 |
| Advance—Alberta Farmers' Co-op. Elevator Co. Ltd. | 894,176.14 |
| Advances—School Districts | 28,122.58 |
| Advances—Creameries | 5,863.03 |
| Advance—University | 2,500.00 |
| Advance—(Vendors of Liquor Stores) | 12,000.00 |
| Advances—(Taxes on Forfeited Lands) | 19,262.76 |
| Advance—Lacombe & Blindman Valley Ele. Ry. | 116,151.16 |
| Principal Moneys from Elevators invested for Sinking Fund | 47,323.86 |
| Bank Deposits (Capital Funds) | 728,570.67 |
| | <u>\$ 3,853,970.20</u> |
| (a and b) | <u>\$13,512,207.16</u> |
| (c) Indirectly Productive Works: | |
| Bridges | \$2,226,295.93 |
| Trunk Bridges and Roads | 3,448,177.35 |
| Surveys | 782,428.74 |
| Drainage | 10,866.29 |
| Inspection of Public Works | 100,280.40 |
| Ferries | 66,871.24 |
| | <u>\$ 6,634,919.95</u> |
| (d) Unproductive: | |
| Public Buildings (including Stock Advance) .. | \$7,370,508.71 |
| Building and Equipment, Provincial Police .. | 33,851.04 |
| Grant, Hillcrest Relief Commission | 20,000.00 |
| Gift of Flour to Belgium | 15,000.00 |
| Gift of Oats to Great Britain | 271,815.81 |
| Relief to Towns and Cities | 58,974.82 |
| Springbank Irrigation District | 25,000.00 |
| School Ordinance, Section 130 | 2,579.97 |
| Patriotic Purposes | 79,850.49 |
| Miscellaneous and Discount and Expenses of Raising Loans | 2,570,492.05 |
| | <u>\$10,448,072.89</u> |
| | <u><u>\$30,595,200.00</u></u> |

STATEMENT NO. 10.

Savings Certificates Investments From May, 1917, to March 15, 1918.

BY PROVINCES. Net TOTAL, \$588,000.00.

| | |
|---------------------------|---------------------|
| Alberta | \$485,539.94 |
| Saskatchewan | 7,624.34 |
| Manitoba | 2,164.99 |
| P. E. Island | 514.71 |
| Ontario | 3,604.88 |
| British Columbia | 29,188.84 |
| California, U. S. A. | 1,500.00 |
| Michigan, U. S. A. | 152.89 |
| New Jersey | 3,073.97 |
| Kansas | 1,922.95 |
| Chicago, Illinois | 2,000.00 |
| Tonlon, Illinois | 665.52 |
| Shanghai, China | 100.26 |
| Bristol, England | 1,922.95 |
| Belfast, Ireland | 1,300.00 |
| Miscellaneous March Sales | 46,723.76 |
| Total | <u>\$588,000.00</u> |

STATEMENT NO. 11.

PROVINCE OF ALBERTA.

STATEMENT OF ASSETS AS AT DECEMBER 31st, 1917.

| | |
|--|-------------------------|
| Debt Allowance | \$ 8,107,500.00 |
| School Lands Fund | 11,053,175.40 |
| Loan to Alberta Farmers' Co-operative Elevator Co. | 894,176.14 |
| Advance to Central Canada Railway | 2,000,000.00 |
| Seed Grain and Creamery Loans | 49,681.07 |
| Advances to School Districts | 28,122.58 |
| Demonstration Farms | 321,653.78 |
| Telephone Plant, Stock, Tools, etc. | 9,336,583.18 |
| Cash in Banks | 764,942.60 |
| Lacombe & Blindman Valley Electric Ry.—Advances | 143,862.13 |
| Miscellaneous | 14,500.00 |
| Total Revenue-Producing Assets | 32,714,196.88 |
| Public Buildings, Bridges, Roads, etc. | 14,097,016.29 |
| Deferred Assets (Unsold Lands) | 84,302,520.00 |
| | <u>\$131,113,733.17</u> |

STATEMENT NO. 12.
PROVINCE OF ALBERTA

STATEMENT OF LIABILITIES AND ASSETS AS AT DECEMBER 31st, 1917.

| LIABILITIES. | | ASSETS. | |
|---|-------------------------|--|-------------------------|
| Public Debt: | | Dominion Government: | |
| 4% Debentures Chap. 14, 1908 | \$2,000,200.00 | Debt Allowance | \$ 8,107,500.00 |
| Do. (Convertible) Chap. 21, 1911/12 | 4,804,373.33 | School Lands Trust Fund: | |
| Do. | 133,333.34 | Principal Moneys in trust | \$3,965,267.39 |
| 4% Registered Stock (Converted) | | Principal Moneys outstanding | 6,287,591.36 |
| Chap. 21, 1911/12 | 62,293.33 | | |
| 4½% Registered Stock, Chap. 21, 1913 | 4,866,666.66 | Arrears of Interest | 10,252,858.75 |
| 4½% Debentures, Chap. 21, 1913 | 133,333.34 | Unsold Lands—7,025,210 acres @ \$12 per acre | 800,316.65 |
| 4½% Debentures, Chap. 20, 1913 (2nd Session) | 3,600,000.00 | Public Buildings, Bridges, Trunk Roads, etc. | 84,302,520.00 |
| 4½% Gold Debentures, Chap. 12, 1910 (2nd Session) | 7,400,000.00 | Loans to Alberta Farmers' Co-operative Ele. Co. | 14,360,933.48 |
| 5% Gold Debentures, Chap. 25, 1914, as amended | 4,000,000.00 | Re Advance to Central Canada Railway Co. | 894,176.14 |
| 5% Gold Debentures, Chap. 21, 1916 | 2,000,000.00 | Seed Grain and Creamery Loans | 2,000,000.00 |
| 5% Gold Debentures, Chap. 2, 1917 | 1,595,000.00 | Advances to School Districts | 49,681.07 |
| | | Telephone Plant, Stock and Tools | 28,122.58 |
| | | Cash in Banks | 9,336,583.18 |
| | | Stock—King's Printer, School Library Advance Account, etc. | 764,942.60 |
| | | Miscellaneous | 35,893.86 |
| Less—Sinking Funds | \$30,595,200.00 | Lacombe and Blindman Valley Electric Railway Advances | 36,342.73 |
| | 550,027.88 | | 143,862.13 |
| | \$ 30,045,172.12 | | |
| Temporary Loans (including Savings Certs.) | 751,301.15 | | |
| Municipal Sinking Funds | 36,371.93 | | |
| Balance—Surplus | 100,280,887.97 | | |
| | \$131,113,733.17 | | |
| | | | \$131,113,733.17 |

STATEMENT NO. 13.

SCHOOL LANDS.

| | Acres | Price | Average per acre |
|-------------------|------------|----------------|---------------------|
| Sales, 1917 ----- | 145,459.93 | \$2,872,259.67 | \$19.74 |

STATEMENT NO. 14.

1917 INCOME ACCOUNT.

GENERAL REVENUE AND TELEPHONES

For the Year Ended December 31, 1917.

Actual

Revenue:

| | | |
|---|----------------|-----------------|
| Dominion Subsidy ----- | \$1,589,075.00 | |
| School Lands ----- | 326,452.22 | |
| Grant to Seed Fair ----- | 4,604.92 | |
| Treasury Department ----- | 386,966.00 | |
| Provincial Secretary's Department ----- | 802,168.38 | |
| Attorney General's Department ----- | 639,585.92 | |
| Department of Public Works ----- | 43,829.55 | |
| Department of Agriculture ----- | 133,007.45 | |
| Dairy Work ----- | 310,971.18 | |
| Telephone Department ----- | 1,190,802.56 | |
| Legislation ----- | 3,697.00 | |
| Executive Council ----- | 1,911.00 | |
| Department of Education ----- | 34,522.64 | |
| School Libraries, etc. ----- | 113.95 | |
| King's Printer ----- | 7,540.56 | |
| Department of Municipal Affairs ----- | 772,440.96 | |
| Public Utilities ----- | 3,069.50 | |
| King's Printer's Advance ----- | 2,810.72 | |
| Miscellaneous ----- | 6,536.78 | |
| | | \$ 6,260,106.29 |

Expenditure:

| | | |
|--|----------------|-----------------|
| Public Debt ----- | \$1,029,382.17 | |
| Civil Government ----- | 583,496.06 | |
| Legislation ----- | 123,752.12 | |
| Administration of Justice ----- | 646,993.67 | |
| Public Works ----- | 681,007.83 | |
| Education ----- | 1,169,107.63 | |
| Agriculture and Statistics ----- | 396,610.70 | |
| Dairy Work ----- | 322,594.60 | |
| Hospitals, Charities and Public Health ----- | 121,661.71 | |
| Telephones Department ----- | 1,039,859.93 | |
| Public Institutions ----- | 194,259.93 | |
| Department of Municipal Affairs ----- | 751.56 | |
| Miscellaneous ----- | 440,555.75 | |
| Remissions ----- | 2,469.30 | |
| | | \$ 6,752,502.72 |

Deficit for 1917 ----- \$ 492,396.43

STATEMENT NO. 15.

SCHOOL LANDS.

7,798,600.00 Acres in the Province.

773,390.00 Acres sold to 31st Dec., 1917—\$10,252,858.75.

7,025,210.00 Unsold at 31st December, 1917.

REVENUE

| | | | |
|------|-------|----|-----------------------|
| 1906 | ----- | \$ | 3,008.44 |
| 1907 | ----- | | 58,851.44 |
| 1908 | ----- | | 51,410.54 |
| 1909 | ----- | | 67,029.93 |
| 1910 | ----- | | 98,881.86 |
| 1911 | ----- | | 166,056.19 |
| 1912 | ----- | | 236,046.80 |
| 1913 | ----- | | 223,612.30 |
| 1914 | ----- | | 219,708.55 |
| 1915 | ----- | | 258,913.69 |
| 1916 | ----- | | 169,226.73 |
| 1917 | ----- | | 326,452.22 |
| | | | <u>\$1,879,198.69</u> |

STATEMENT NO. 16.

STATEMENT RE RAILWAY GUARANTEES.

| | Authorized mileage par value. | Executed mileage par value. |
|---------------------------------------|----------------------------------|--------------------------------|
| Total Provincial Liability ----- | \$60,468,500.00 | \$45,520,450.00 |
| Total C. N. and C.N.W. Railways ----- | 36,066,000.00 | 22,244,250.00 |
| | <u>\$24,402,500.00</u> | <u>\$23,276,200.00</u> |
| Total G.T.P. Rlwys. ----- | 4,182,500.00 | 4,182,500.00 |
| | <u>\$20,220,000.00</u> | <u>\$19,093,700.00</u> |

McArthur Lines, Lacombe and Blindman Valley Elec. Rys.--- \$19,093,700.00

With the taking over of the C. N. R. and C. N. W. and G. T. P. lines by the Dominion Government, the contingent liability of the Province would be reduced to \$19,093,700.00.

STATEMENT NO. 17.

Comparative Statement of Expenditure on Roads and Bridges
(Including Surveys, Ferry Service and Drainage).

| INCOME | 1917 Actual | 1918 Estimated |
|--|---------------------|---------------------|
| Surveys and Compensation for Lands ----- | \$ 5,916 09 | |
| Ferry Service ----- | 49,983 84 | \$ 50,000.00 |
| Bridges ----- | 10,208 69 | 40,000.00 |
| Roads ----- | 199,894.82 | 300,000.00 |
| Drainage Inspection ----- | | 10,000.00 |
| | <u>\$266,003.44</u> | <u>\$400,000.00</u> |

STATEMENT NO. 18.

1918—INCOME ACCOUNT.

Revenue:

| | | |
|---|----------------|-----------------------|
| Dominion Subsidy ----- | \$1,589,075.00 | |
| School Lands Fund ----- | 425,000.00 | |
| Treasury Department ----- | 420,100.24 | |
| Attorney-General's Department ----- | 712,160.00 | |
| Provincial Secretary's Department ----- | 947,400.00 | |
| Public Works Department ----- | 325,825.00 | |
| Education Department ----- | 29,500.00 | |
| Agriculture Department ----- | 168,350 00 | |
| Dairy Work ----- | 300,000.00 | |
| Municipal Affairs Department ----- | 1,870,500.00 | |
| Legislative Assembly ----- | 3,000.00 | |
| King's Printer ----- | 7,500.00 | |
| Public Utilities Commission ----- | 3,000.00 | |
| Telephone Department ----- | 1,250,000.00 | |
| | | <u>\$8,051,410.24</u> |

Expenditure:

| | | |
|--|----------------|-----------------------|
| Public Debt ----- | \$1,195,000 00 | |
| Civil Government ----- | 518,245.00 | |
| Legislation ----- | 138,915.00 | |
| Administration of Justice ----- | 588,335.00 | |
| Public Works ----- | 1,060,600.00 | |
| Education ----- | 1,218,331.66 | |
| Agriculture and Statistics ----- | 477,600.00 | |
| Dairy Work ----- | 300,000.00 | |
| Hospitals, Charities and Public Health ----- | 218,000.00 | |
| Telephones ----- | 1,150,000.00 | |
| General Administration Purposes ----- | 121,850.00 | |
| Municipal Affairs ----- | 68,050.00 | |
| Miscellaneous ----- | 1,197,900.00 | |
| | | <u>\$8,252,826.66</u> |
| Deficit for 1918 ----- | | <u>\$ 201,416.42</u> |

STATEMENT NO. 19.

INCOME ACCOUNT.

| Revenue: | Actual 1917 | Estimated 1918 | Estimated Revenue over 1917 | Estimated Revenue under 1917 |
|--------------------------------|-----------------------|-----------------------|-----------------------------------|------------------------------------|
| Dominion Subsidy ----- | \$1,589,075.00 | \$1,589,075.00 | | |
| School Lands Fund ----- | 326,452.22 | 425,000.00 | \$ 98,547.78 | |
| Seed Fairs ----- | 4,604.92 | | | \$ 4,604.92 |
| Treasury Dept. ----- | 386,966.00 | 420,100.24 | 33,134.24 | |
| Attorney-General's Dept. ----- | 639,585.92 | 712,160.00 | 72,574.08 | |
| Prov. Secretary's Dept. ----- | 802,168.38 | 947,400.00 | 145,231.62 | |
| Public Works Dept. ----- | 43,829.55 | 325,825.00 | 281,995.45 | |
| Education Dept. ----- | 34,636.59 | 29,500.00 | | 5,136.59 |
| Agriculture Dept. ----- | 133,007.45 | 168,350.00 | 35,342.55 | |
| Dairy Work ----- | 310,971.18 | 300,000.00 | | 10,971.18 |
| Municipal Affairs Dept. ----- | 772,440.96 | 1,870,500.00 | 1,098,059.04 | |
| Legislative Assembly ----- | 3,697.00 | 3,000.00 | | 697.00 |
| King's Printer ----- | 7,540.56 | 7,500.00 | | 40.56 |
| Public Utilities Comm'n ----- | 3,069.50 | 3,000.00 | | 69.50 |
| Telephone Dept. ----- | 1,190,802.56 | 1,250,000.00 | 59,197.44 | |
| Executive Council ----- | 1,911.00 | | | 1,911.00 |
| King's Printer Advance ----- | 2,810.72 | | | 2,810.72 |
| Miscellaneous ----- | 6,536.78 | | | 6,536.78 |
| | <u>\$6,260,106.29</u> | <u>\$8,051,410.24</u> | <u>\$1,824,082.20</u> | <u>\$ 32,778.25</u> |

| Expenditure: | | Expenditure under 1917 | Expenditure over 1917 |
|--------------------------------|-----------------------|---------------------------|--------------------------|
| Public Debt ----- | \$1,029,382.17 | \$1,195,000.00 | \$ 165,617.83 |
| Civil Government ----- | 583,496.06 | 518,245.00 | \$ 65,251.06 |
| Legislation ----- | 123,752.12 | 138,915.00 | 15,162.88 |
| Adm. of Justice ----- | 646,993.67 | 588,335.00 | 58,658.67 |
| Public Works ----- | 681,007.83 | 1,060,600.00 | 379,592.17 |
| Education ----- | 1,169,107.63 | 1,218,331.66 | 49,224.03 |
| Agriculture & Statistics ----- | 396,610.70 | 477,600.00 | 80,989.30 |
| Dairy Work ----- | 322,594.60 | 300,000.00 | 22,594.60 |
| Hospitals, Charities & ----- | | | |
| Public Health ----- | 121,661.71 | 218,000.00 | 96,338.29 |
| Telephones ----- | 1,039,859.69 | 1,150,000.00 | 110,140.31 |
| Public Institutions ----- | 194,259.93 | | 194,259.93 |
| Gen'l Adm. Purposes ----- | | 121,850.00 | 121,850.00 |
| Municipal Affairs ----- | 751.56 | 68,050.00 | 67,298.44 |
| Remissions ----- | 2,469.30 | | 2,469.30 |
| Miscellaneous ----- | 440,555.75 | 1,197,900.00 | 757,344.25 |
| | <u>\$6,752,502.72</u> | <u>\$8,252,826.66</u> | <u>\$343,233.56</u> |
| | | | <u>\$1,843,557.50</u> |

SUMMARY.

| | |
|--|----------------------|
| Excess Expenditure over 1917 ----- | \$1,500,823.94 |
| Deficit for 1917 ----- | 492,896.43 |
| | <u>1,992,720.37</u> |
| Deduct excess of revenue over 1917 ----- | 1,791,308.95 |
| Actual Deficit for 1918 ----- | <u>\$ 201,411.42</u> |

STATEMENT NO. 20.

RE PUBLIC HEALTH.

Hospitals, Charities and Public Health

Increase over 1917—\$83,191.50.

| | |
|--|--------------------|
| Expenditure under the Hospital Ordinance | \$11,890.25 |
| Expenditure under Public Health Act | 52,134.24 |
| Care of Incurables | 1,055.05 |
| Medical Services to and Care of Soldiers' Children | 15,000.00 |
| Vital Statistics | 1,853.21 |
| Contingencies (including destitutes) | 1,258.75 |
| | <u>\$83,191.50</u> |



